

1 thinking in a very broad sense because you have got an
2 individual who is, you know, sitting there with nothing to
3 do.

4 Obviously, if you are doing a good job of managing
5 and that, you are keeping your equipment up right. You are
6 being positive. You are -- you know, those are pretty basic
7 things from that standpoint.

8 Q Is Mr. Rice still drawing a salary check from the
9 stations?

10 A No.

11 Q How was the amount of Mr. Rice's salary check
12 determined?

13 A Well, I don't know. When I came to work there he
14 was drawing a certain salary. Only one time in all the
15 years that I worked there did he ever change the amount of
16 his salary.

17 Q When was that?

18 A I believe, in 1990.

19 Q So after he was --

20 JUDGE STEINBERG: Did he make it higher or lower?

21 THE WITNESS: Higher. You know, he made the
22 comment to me, I was trying to remember exactly how he said
23 it, something about -- I think salary reviews had gone in,
24 and he said to me, "When is my salary review?"

25 And I think I made the statement to him, "So what

1 does that mean?" I said, "Are you saying that you are
2 overpaid and underworked or what?"

3 And he said, This is what I want my salary to be."

4 And I said, "Okay, if you see that the bottom line
5 doesn't look as good, don't bitch."

6 BY MR. ZAUNER:

7 Q And you continued to pay that salary on a regular
8 basis until the time he was incarcerated?

9 A That's right.

10 Q And then you stopped paying his salary?

11 A That's right.

12 Q Has Michael Rice received any monies from the
13 station since his incarceration?

14 A Only on a landlord basis.

15 Q And with regard to any profits that the station
16 may make, are those being kept for Michael Rice?

17 A Well, the stations are -- they are corporations,
18 so there is not any pass through of dividends from that
19 standpoint.

20 The Lake is a partnership, and that's a pass
21 through, but there is no monies out of the corporations
22 going to Michael Rice except for rental payments, of which
23 he has rental agreements with.

24 JUDGE STEINBERG: So, basically, when you do the
25 partnership return for Lake, if the station makes 100 bucks

1 at the end of the year, then 67 bucks is passed through to
2 Mr. Rice?

3 THE WITNESS: Yes. A portion, after appreciation
4 or anything else out of it.

5 JUDGE STEINBERG: Right. I thought I would stick
6 with numbers that only have two zeros.

7 BY MR. ZAUNER:

8 Q We have a number of checks that were written on
9 various occasions by Michael Rice.

10 What was the occasion that you would go to Michael
11 Rice and have him sign a check rather than Malcolm Rice?
12 Was it strictly a function of availability?

13 A Probably. Yeah.

14 Q Was Malcolm Rice at the station often, or at your
15 offices? Let me withdraw that and make it your offices.

16 A Well, he -- in early years, almost on a daily
17 basis. In later years, once Mrs. Rice became ill, his
18 availability and frequency of being there become -- you
19 know, it would be days and days that we wouldn't see him.
20 And it got to a point that the only time that he would come
21 in is in the even that we needed him to sign checks.

22 I might interject that one of the reason we stayed
23 with two signatures, as I did not want checks going out all
24 the time with just my signature on them.

25 That is strictly on a person level, Judge

1 Steinberg. Mike has no family other than his mother and
2 father. But he does have some distant cousins, who -- I
3 mean, I never wanted to put myself in a position where at
4 some point in time it would be a problem.

5 MR. ZAUNER: Your Honor, I believe that concludes
6 my examination.

7 JUDGE STEINBERG: Okay, let me just remind you
8 that Bureau Exhibit 5 hasn't been received. That's the --
9 we were going to take that up with Ms. Cox. So why don't
10 you do that now.

11 MR. ZAUNER: Okay.

12 JUDGE STEINBERG: And then you can offer it.

13 BY MR. ZAUNER:

14 Q Do you have Mass Media Bureau Exhibit 5 --

15 A Yes, I do.

16 Q -- in front of you?

17 JUDGE STEINBERG: Now, page 2 is the corporate
18 resolution, so I don't see any problem with page 2.

19 THE WITNESS: See, a bank in Missouri always
20 requires that you send this corporate resolution along
21 whenever you change anything. I don't know if all states
22 are like that. Missouri is like that.

23 JUDGE STEINBERG: Okay. You know, I don't have
24 any problem with page 2. I think it's page 1 -- was there
25 an objection to this? I mean, it was identified and

1 offered, and for some reason I withheld ruling because
2 obviously there had to be an objection.

3 MR. GAFFNEY: Is it because it bears no
4 signatures, Your Honor?

5 JUDGE STEINBERG: It was your objection. I don't
6 remember, frankly. I mean, I will admit I don't remember.

7 MS. SADOWSKY: I believe it was because -- we did
8 object on the grounds that it had no signature. I think
9 that's --

10 MR. GAFFNEY: And the only signature that appeared
11 was Dennis Klautzer's signature on page 2.

12 JUDGE STEINBERG: The notes that I have was this
13 letter sent.

14 MS. SADOWSKY: Yes.

15 BY MR. ZAUNER:

16 Q Yes, was this letter sent?

17 A Yes.

18 Q Do you know?

19 Was it sent as it appears on page 1 or was there a
20 signature affixed to it?

21 A Oh, the signatures would have been on it.

22 Normally, in our office when we make copies we
23 make copies prior to them being signed. And the reason
24 being as if later on you have to resend something, then you
25 can make a copy and it can be signed and sent, whereas if it

1 is, then it looks like you are tracing a signature.

2 JUDGE STEINBERG: Okay, so your testimony is that
3 the pages 1 and 2 were in fact signed and sent?

4 THE WITNESS: Yes, sir.

5 JUDGE STEINBERG: Okay.

6 MR. ZAUNER: Your Honor, with that testimony, I
7 would offer into evidence Mass Media Bureau Exhibit No. 5.

8 MR. GAFFNEY: No objection.

9 JUDGE STEINBERG: Okay, Bureau Exhibit 5 is
10 received.

11 (The document referred to,
12 having been previously marked
13 for identification as Mass
14 Media Bureau Exhibit No, 5,
15 and was received in evidence.)

16 JUDGE STEINBERG: Now, I had a couple of
17 questions. We're going to flip back to your testimony,
18 which is Contemporary Exhibit 1. That's in your book.

19 THE WITNESS: Okay. Okay.

20 JUDGE STEINBERG: And if you will go look at page
21 11.

22 THE WITNESS: Okay.

23 JUDGE STEINBERG: And if you would review the
24 paragraph, paragraph 26. Just read that to yourself.

25 MR. GAFFNEY: Excuse me, Your Honor?

1 MS. SADOWSKY: Paragraph 26.

2 JUDGE STEINBERG: Twenty-six.

3 (Witness reads document.)

4 THE WITNESS: Okay.

5 JUDGE STEINBERG: Okay, you're talking about Mr.
6 Rice assisting the engineers in, I guess, engineering stuff?

7 THE WITNESS: Um-hmm.

8 JUDGE STEINBERG: And that's the type of
9 assistance that you would contemplate Mr. Rice providing to
10 the Licensee; is that correct?

11 THE WITNESS: That's correct.

12 JUDGE STEINBERG: Okay. Is Dan Leatherman a
13 consulting engineer or one of the station's chief engineers?

14 THE WITNESS: No. Dan Leatherman is the manager
15 of -- was the manager of KBMX at Lake of the Ozark.

16 JUDGE STEINBERG: Now, in your opinion, is
17 procuring a better sign for KBMX an engineering or a
18 technical problem?

19 THE WITNESS: No, I would say that was more of a
20 landlord situation than anything else.

21 JUDGE STEINBERG: Okay, but it's not, in your
22 opinion, an engineering or a technical problem that would
23 need the expertise of an engineer?

24 THE WITNESS: No. I think it probably would be
25 from a landlord standpoint in that for identification

1 purposes because at a point in time I think Mr. Rice was
2 thinking about making some space available to some other
3 entities, and I think -- if you've ever been to the Lake of
4 the Ozark area, it's very difficult to find. Everything is
5 like Lake Road 54, 24.

6 So one of the good ways to find things is by good
7 signage.

8 JUDGE STEINBERG: Okay, now is KBMX, the
9 facilities they were in, were they owned by Mr. Rice?

10 THE WITNESS: That's correct.

11 JUDGE STEINBERG: So he was the landlord of that
12 building?

13 THE WITNESS: Yes, sir.

14 JUDGE STEINBERG: Okay. Now, is getting a storage
15 building for KBMX an engineering or technical problem, in
16 your opinion?

17 THE WITNESS: I guess, in that that was a -- we
18 were talking about putting an additional storage building
19 there on the facility to be able to run some additional
20 antennas from the tower there at the building.

21 JUDGE STEINBERG: Okay. Is deciding whether to
22 put a storage building on black top or on concrete an
23 engineering or technical problem, in your opinion?

24 THE WITNESS: It's an engineering, yes.

25 JUDGE STEINBERG: Okay. How about deciding what

1 type of doors to put on a storage building, in your opinion
2 is that an engineering or a technical problem?

3 THE WITNESS: Yes.

4 JUDGE STEINBERG: And why is that?

5 THE WITNESS: Well, because it depends on what you
6 are going to put in there as to whether it has to be water
7 proof, whether you want it to be rodent proof, things of
8 that nature. So it would depend upon what kind of equipment
9 you were going to go with.

10 JUDGE STEINBERG: The same answer with respect to
11 the type flooring?

12 THE WITNESS: Yes, sir.

13 JUDGE STEINBERG: How about getting a new water
14 cooler for KBMX, is that an engineering or technical
15 problem, in your opinion?

16 THE WITNESS: Well, it was a maintenance, I guess,
17 type of -- it was a water cooler that was in there that was
18 actually used for people in the building. And so I guess
19 from a landlord standpoint that was being -- well, the water
20 cooler busted, flooded the place and, you know, a new water
21 cooler was put in.

22 JUDGE STEINBERG: How about fixing a telephone in
23 the news room, is that, in your opinion, an engineering or
24 technical problem?

25 THE WITNESS: Yes. Yes, it is.

1 JUDGE STEINBERG: Why can't a phone circuit person
2 do that?

3 THE WITNESS: Well, because, as I stated earlier,
4 Mike Rice was receiving a pay check, and when you call in a
5 phone person you're going to be paying probably \$90 an hour,
6 plus material.

7 JUDGE STEINBERG: Or you could spend 25 bucks and
8 buy a new phone and plug it in, I guess.

9 THE WITNESS: Well, no, you can't because that's
10 not the type of phones.

11 JUDGE STEINBERG: Okay. Yeah, hard wired?

12 THE WITNESS: Yes, and, you know, they have
13 different interface and stuff with them.

14 JUDGE STEINBERG: Oh, lots of little buttons and
15 stuff?

16 THE WITNESS: Yes. Yes.

17 JUDGE STEINBERG: Okay, I got you.

18 Now, if you would look at page 29 -- excuse me.
19 Page 13, paragraph 29, you're talking about general manager
20 sending to you sales reports on various, on various time
21 schedules.

22 THE WITNESS: Right.

23 JUDGE STEINBERG: I wondered did Mr. Rice get
24 copies of these?

25 THE WITNESS: No, he didn't get copies of them.

1 JUDGE STEINBERG: Okay.

2 THE WITNESS: They were available in the office,
3 but copies were not sent to him.

4 JUDGE STEINBERG: Okay. So if he wanted to look
5 at them, he could have; nothing to stop him?

6 THE WITNESS: No. I mean, he could have gone in
7 and looked in the file drawer, I guess.

8 JUDGE STEINBERG: Further down on that page 13
9 you're talking about, "I negotiated with many vendors who
10 had previously dealt with Mike Rice."

11 Do you remember what vendors they were?

12 THE WITNESS: No. Probably Broadcast Alive
13 Electronics.

14 JUDGE STEINBERG: And what do they do?

15 THE WITNESS: They sell equipment.

16 JUDGE STEINBERG: Any other types of vendors?

17 THE WITNESS: Well, a lot of different vendor
18 ones. Harris Allied; Newark.

19 JUDGE STEINBERG: Are both Harris Allied and
20 Newark equipment vendors?

21 THE WITNESS: Yes, sir.

22 JUDGE STEINBERG: And you talk about, "I have also
23 delegated the station's engineers contacts with certain
24 vendors."

25 Do you know what vendors you are referring to

1 here?

2 THE WITNESS: Well, it could be numerous ones. I
3 mean, I thought it was foolish for me in the corporate
4 office to call places to order light bulbs and fuses and
5 things like that You know, what's an engineer doing?

6 JUDGE STEINBERG: Isn't it more expensive for an
7 engineer to --

8 THE WITNESS: No, cause he's on the time clock
9 anyway.

10 JUDGE STEINBERG: Oh, okay. They are not
11 consulting engineers.

12 THE WITNESS: No.

13 JUDGE STEINBERG: They're full time.

14 THE WITNESS: These are employees.

15 JUDGE STEINBERG: Okay. But these are vendors
16 that Mike Rice used to contact?

17 THE WITNESS: Yes.

18 JUDGE STEINBERG: And which he no longer did?

19 THE WITNESS: That's correct.

20 JUDGE STEINBERG: I have one more series of
21 questions and if you bear with me, hold on. I have a couple
22 other ones.

23 In your exhibit on page 7, talking about
24 Contemporary Exhibit 1, page 7, the paragraph 18.

25 THE WITNESS: Okay. I don't know if I've got 18.

1 JUDGE STEINBERG: It's in the bound book.

2 THE WITNESS: Okay.

3 JUDGE STEINBERG: Do you have page 7 there?

4 THE WITNESS: Okay. All right.

5 JUDGE STEINBERG: If you need to take a break, let
6 me know. It's getting late.

7 THE WITNESS: No, I'm fine.

8 JUDGE STEINBERG: Now is about the time if day
9 that everybody gets very combative.

10 THE WITNESS: No. I mean, like I said, I just
11 want to come today.

12 JUDGE STEINBERG: All of a sudden around 4:00
13 people start beating on each other.

14 THE WITNESS: Oh.

15 JUDGE STEINBERG: And lawyers get nasty. The
16 judge gets nasty

17 THE WITNESS: My day is not over at 4:00. It
18 usually starts at six and ends at about eight.

19 JUDGE STEINBERG: Just like an FCC's judges day.

20 (Laughter.)

21 JUDGE STEINBERG: We're not talking about which
22 six and which eight.

23 THE WITNESS: Well, I am talking six a.m.

24 JUDGE STEINBERG: Okay.

25 THE WITNESS: To eight p.m., okay?

1 JUDGE STEINBERG: Okay. On my own motion that's
2 stricken.

3 THE WITNESS: Okay.

4 JUDGE STEINBERG: Okay, did you read paragraph 18
5 on page 7? Basically it refers to board of directors
6 resolutions.

7 THE WITNESS: Yeah.

8 JUDGE STEINBERG: And if you read the resolutions,
9 which are Appendices D, E, and F, and if you just -- if you
10 look at Appendix D, it just -- it just says, "Mr. Rice has
11 no managerial policy or consultative role."

12 THE WITNESS: I've read it.

13 JUDGE STEINBERG: Appendix E says the same thing.

14 THE WITNESS: Sir, there is nothing under Appendix
15 E.

16 JUDGE STEINBERG: Flip back. Appendix E -- why
17 don't you point out Appendix E rather than explaining. And
18 you will see that E has got the same language with regard to
19 managerial, no managerial or consultative role, et cetera.

20 And then Appendix F has the same things.

21 Now, that's just predicate, that's just
22 background.

23 There came a point in time later that Mr. Rice did
24 some consultative work for the station. There is no dispute
25 about that.

1 THE WITNESS: That's right. That's correct.

2 JUDGE STEINBERG: My question is, are there any
3 board of directors resolutions authorizing Mr. Rice to do
4 consultative work for the Licensees?

5 THE WITNESS: No, I don't think so.

6 JUDGE STEINBERG: You were a member of two boards
7 at that time, right?

8 THE WITNESS: Right.

9 JUDGE STEINBERG: The two Contemporary boards.
10 By "at that time," I mean the time we are talking
11 about.

12 THE WITNESS: Right.

13 JUDGE STEINBERG: Do you know why there were no
14 corporate resolutions or board of directors meetings
15 concerning passing resolutions to allow Mr. Rice to do
16 consultative work for the stations?

17 THE WITNESS: Well, probably a couple of reasons,
18 Judge Steinberg.

19 One was this has never been a real formally
20 structured company per se, you know, from day one when I
21 went to work there.

22 The other thing being probably at that point in
23 time there were a lot of things going on in Mike Rice's
24 life, you know, on a multi-level legal basis. Mrs. Rice was
25 not well. Mr. Rice was, you know, pretty much confined with

1 her. So, you know, like I said, I guess probably that's one
2 of the reasons. It was just something, it was a
3 housekeeping function that was not done.

4 JUDGE STEINBERG: Okay, now, was it your idea to
5 convene a board of directors meeting and adopt resolutions
6 excluding Mr. Rice from the managerial, policy or
7 consultative roles in the stations?

8 THE WITNESS: Yes.

9 JUDGE STEINBERG: So it your idea to do this?

10 THE WITNESS: Yes.

11 JUDGE STEINBERG: But -- let's leave it at that.

12 Did your FCC attorneys suggest that you do this?

13 MR. GAFFNEY: Again, Your Honor, I know you want
14 to talk about the exhibit.

15 JUDGE STEINBERG: No, I mean, I asked the
16 question. You can objection.

17 MR. GAFFNEY: I would object if it's getting into
18 attorney/client communications. And, in fact, I think the
19 answer was provided earlier that it was her decision.

20 JUDGE STEINBERG: Okay. I just wanted to know if
21 it was your decision in consultation with your attorneys.

22 THE WITNESS: No. I don't pick up the phone very
23 often. That's pretty expensive.

24 JUDGE STEINBERG: Okay, so your objection will be
25 sustained, and whatever the answer is, it was. But I had to

1 ask.

2 Okay, now, if you bear with me, I have a series of
3 questions I want to ask you.

4 THE WITNESS: Okay.

5 JUDGE STEINBERG: And basically the same
6 questions, it's going to be the same question. I'm going to
7 ask you whether Michael Rice did certain things or had
8 certain roles to pay before and after '91. If you want to
9 answer in terms of the "No, he didn't do this either before
10 or after or there was no change in role," that's fine.

11 So basically -- do you understand what I am
12 getting at?

13 THE WITNESS: Yes, sir.

14 JUDGE STEINBERG: Okay, bank accounts, we know
15 about so I'm not going to ask you about bank accounts.

16 Now, did Mr. Rice keep any of the books and
17 records of the station either before or after April '91?

18 THE WITNESS: I don't know what you mean. You
19 mean did he --

20 JUDGE STEINBERG: Did he --

21 THE WITNESS: Do any accounting work, is that what
22 you're talking about?

23 JUDGE STEINBERG: Yes.

24 THE WITNESS: No.

25 JUDGE STEINBERG: Then you did all that?

1 THE WITNESS: Yes, that and other personnel.

2 JUDGE STEINBERG: Okay, then I don't have to ask
3 you about that.

4 Who sent out the station's bills, or the
5 Licensee's bills?

6 THE WITNESS: They were mailed from our corporate
7 office.

8 JUDGE STEINBERG: Did -- who prepared them?

9 THE WITNESS: Whoever was working in accounts
10 payable.

11 JUDGE STEINBERG: Did Mr. Rice ever do any of
12 this?

13 THE WITNESS: No.

14 JUDGE STEINBERG: And SESAC, ASCAP, EMI fees, did
15 the Licensees pay those?

16 THE WITNESS: Yes, we paid those out of the
17 corporate office. No bills are paid out of the radio
18 stations. They are all paid out of the corporate office.

19 JUDGE STEINBERG: And did Mr. Rice have any -- did
20 he have any responsibilities? Did he do the actual paying
21 of the bills?

22 THE WITNESS: Nothing other than signing checks.

23 JUDGE STEINBERG: Did Mr. Rice take out any loans
24 on behalf of the Licensees?

25 THE WITNESS: Yes.

1 JUDGE STEINBERG: And when?

2 THE WITNESS: Well, there were three loans. There
3 was one, and I don't remember the exact dates, Judge
4 Steinberg, without seeing the papers in front of me. One
5 was a loan for -- they were for particular purposes. One
6 was a loan that was taken out to build the Lake facility and
7 that was taken out -- I did the paperwork, the presentation
8 and everything to Boatman's Bank, but naturally it had to be
9 signed -- because they required a personal guarantee. That
10 had to be signed off also by Dennis Klautzer, Ken Kuenzie
11 and their wives, because the bank required a personal
12 guarantee.

13 JUDGE STEINBERG: Do you remember if this was
14 before or after April '91?

15 THE WITNESS: Oh, it was before.

16 JUDGE STEINBERG: Okay. These were all before
17 '91. There has been no --

18 JUDGE STEINBERG: So he -- basically, he
19 participated in taking out three loans on behalf of the
20 Licensee before '91; is that correct?

21 THE WITNESS: Yes, sir.

22 JUDGE STEINBERG: Did he do any of that after '91?

23 THE WITNESS: No.

24 JUDGE STEINBERG: '91 is shorthand for April '91,
25 do you understand that?

1 THE WITNESS: Right, I understand what you are
2 saying.

3 JUDGE STEINBERG: Before '91, did Mr. Rice make
4 purchases of equipment for the stations?

5 THE WITNESS: Yes, he did.

6 JUDGE STEINBERG: And did he do that after '91?

7 THE WITNESS: Only if I said to him, "We need to
8 order stuff for so and so project. I want you to do it,"
9 that type thing.

10 JUDGE STEINBERG: And when you said, "I want you
11 to do it," he did whatever was needed to do the job?

12 THE WITNESS: That is correct.

13 JUDGE STEINBERG: Including buying whatever was
14 needed?

15 THE WITNESS: That's right, the same as I would
16 with Eric Hoehn or Jerry Probst or whatever.

17 JUDGE STEINBERG: But before '91, did he do this
18 without your permission?

19 THE WITNESS: No, he would say to me -- well, you
20 know, we had to decide what the contracts were that were
21 going to be done. And, you know, he might say, "Well, where
22 are we," because he wouldn't necessary know the budget
23 figures and things like that.

24 JUDGE STEINBERG: Okay.

25 THE WITNESS: And I might say to him -- he would

1 say, "I want to do so and so." And I would say "Forget it.
2 The money is not in the candy store."

3 JUDGE STEINBERG: So basically there was no
4 change, after April '91, there really wasn't any change in
5 the way something like that was done?

6 THE WITNESS: No. I mean, definitely after '91,
7 he didn't pick up the phone and then bills come in the mail,
8 and, you know, the bills were there.

9 JUDGE STEINBERG: But he really didn't do that
10 before '91 either?

11 THE WITNESS: No. He did that -- well, not in
12 connection with the corporations. He did it on a lot of the
13 consulting work that he did for other entities.

14 JUDGE STEINBERG: Okay, I am just talking about
15 the Licensees.

16 THE WITNESS: Okay.

17 JUDGE STEINBERG: Now, the workmen's comp, health
18 insurance, life insurance, fire insurance, auto insurance
19 on, you know, various things, did he have any role to play
20 with respect to that either before or after '91?

21 THE WITNESS: The only thing he would have in it
22 was saying, "Well, you know, did we really review the values
23 of the equipment?"

24 Sometimes I would say to him -- this was prior to
25 '91 -- "Do you think that," say we bought this piece of

1 equipment for \$3,000, but I could look it up in a magazine
2 and say that the value was 4500. You know, it was really
3 not relevant as to what we insured it for simply because our
4 policies are all done on a replacement value. But that
5 would be -- but after that time they were given to the
6 engineers of the different facilities and such, "You know,
7 do we still have this? Did we junk it or what?" And, you
8 know, designate it as such.

9 JUDGE STEINBERG: Now, I think we have testimony
10 that after '91, Mr. Rice didn't interview any employees,
11 prospective employees, and didn't hire station, or didn't
12 hire personnel, didn't fire personnel; is that correct?

13 THE WITNESS: No, that's not correct. He didn't
14 hire them. He was present when John Rhea was fired.

15 JUDGE STEINBERG: Okay, but I mean, he didn't make
16 the decision?

17 THE WITNESS: Right.

18 JUDGE STEINBERG: Before '91, did he make
19 decisions of that nature?

20 THE WITNESS: Sometimes.

21 JUDGE STEINBERG: Okay. Who determined the
22 salaries that Licensee personnel would be paid? Did he do
23 that?

24 THE WITNESS: No.

25 JUDGE STEINBERG: Either before or after '91?

1 THE WITNESS: When I originally went to work
2 there, yes. But I would say probably by maybe '85 that
3 wasn't -- I mean, things then were really more -- I mean,
4 this is a budget line item. We have so much for announcers
5 and this is the way it's got to be divvied up.

6 JUDGE STEINBERG: So basically from about '85 on
7 there wasn't any change in the way the Licensees did --

8 THE WITNESS: That's right.

9 JUDGE STEINBERG: -- things of this nature?

10 THE WITNESS: Right.

11 JUDGE STEINBERG: He didn't supervise the
12 activities of any personnel, did he? I'm talking about '85
13 on.

14 THE WITNESS: No. We had employees who would
15 periodically call Mike for advice, especially announcers,
16 disc jockeys, or whatever you want to call them, because, as
17 I said, Mike was definitely a student of the industry. And,
18 you know.

19 JUDGE STEINBERG: But then this was before or
20 after '91?

21 THE WITNESS: It probably happened after '91,
22 because a lots of times they might call him at home at
23 night, or things of that nature.

24 JUDGE STEINBERG: So that really didn't change?

25 THE WITNESS: No. I mean, that would have been

1 more -- I always looked at that more on a personal level
2 because there were individuals who worked at other
3 broadcasting entities who would do the very same thing.

4 JUDGE STEINBERG: You mean non-Licensee stations?

5 THE WITNESS: Yes.

6 JUDGE STEINBERG: The stations that weren't owned
7 by --

8 THE WITNESS: Right, right.

9 JUDGE STEINBERG: Now, if the stations had
10 technical problems before April '91, did they contact Mr.
11 Rice directly?

12 THE WITNESS: No.

13 JUDGE STEINBERG: How did that work?

14 THE WITNESS: The procedure was set up that if
15 there was a -- people were off the air, they had a mike that
16 didn't work or something, if it was during the day
17 obviously, you know, they would say something to management.
18 If it was at night or after hours, they would call the
19 engineer if the engineer wasn't there. They would either
20 call him or beep him.

21 JUDGE STEINBERG: Did that procedure change at any
22 point let's say from '85 up?

23 THE WITNESS: No, I mean, that's the way -- it was
24 always the responsibility of the engineer. And if the
25 engineer was out of town, it was always set up that there

1 was somebody else to fill in, such as maybe this guy who
2 works over at this other station is going to fill in for our
3 engineer while he's gone or vice-versa. And that was always
4 posted as to who they were to call.

5 JUDGE STEINBERG: Now, getting to the programming
6 in the station, did Mr. Rice set the station policy with
7 respect to entertainment format, news format, commercial
8 policy?

9 By "commercial policy," I mean like number of
10 commercials per hour?

11 THE WITNESS: No.

12 JUDGE STEINBERG: Who did that?

13 THE WITNESS: That was usually set by the manager
14 and the program director, depending upon the type of format,
15 or the time of day. And then that was instituted -- I would
16 usually see then that that was implemented correctly by
17 whoever the track and billing people were, because you had
18 to go in the program system and that type of thing.

19 JUDGE STEINBERG: Okay. So basically, with
20 respect to this area, there was no change in the way the
21 Licensees did things before '91 or after '91; is that
22 correct?

23 THE WITNESS: I would say that's correct.

24 JUDGE STEINBERG: Did Mr. Rice have anything to do
25 with the sale and commercial plan?